



FACSIMILE TRANSMISSION  
(COVER SHEET)

Date: 10/5/04 1:21:18 PM

To: James Rumpf 972.818.6343

From: Bradley Stark 951.780.7439

Re: Insurance policy for Chase account

Jim,

This is a copy for your records.

My attorney has been a little swamped today but he will have the JV Agreement and amendment out today or this evening. Barclay's has the Master Repurchase Agreement form us and Goldman Sachs and will have the risk pricing model out shortly (I hope). Until then, as I get things in I will forward on to you.

Best regards,

Brad

Total pages including cover: 11

This transmission may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of the information contained herein (including reliance thereon) is STRICTLY PROHIBITED. If you received this transmission in error, please immediately contact the sender and destroy the material in its entirety, whether in electronic or hard copy format. Thank you.

*BR* 11/24/14

# Nationwide Financial\*

NATIONWIDE DEPOSIT TRUST INSURANCE COMPANY

01/19/05

Nationwide Financial Services (Bermuda), Ltd.  
Victoria Hall  
Victoria Street  
Hamilton HM11  
Bermuda

### VERIFICATION OF COVERAGE AS OF THE DATE OF THIS FACSIMILE (SEE BELOW UNDER "CAUTIONARY NOTE")

**INSURED**

SARDAUKAR HOLDINGS (BVI) IBC  
14 WALL STREET  
20TH FLOOR  
NEW YORK, NY 10005 2123  
USA

Policy Number: 40311945BM76  
Effective Date: 11-02-04  
Expiration Date: 11-01-11  
Jurisdiction Reg: BVI/BERMUDA/USA

To whom it may concern:

This letter is to verify that we have issued the policyholder coverage under the above policy number for the dates indicated in the effective and expiration date fields for the company/firm listed. This should serve as proof that the below mentioned accounts meets or exceeds the financial responsibility requirement for your jurisdiction.

Corporation: SARDAUKAR HOLDINGS (BVI) IBC  
Form: INTERNATIONAL BUSINESS COMPANY  
Date: 5 JUNE 2000  
Jurisdiction: BRITISH VIRGIN ISLANDS  
Corp ID: 390688  
Licenses: B/D BMA, B, 7, 6b, NASD, SIPC, NFA, CFTC, SEC, NYSE, CBOT, CME, COMEX  
Accounts: JPMC BANK 469502737765 021000021 (PRIMARY)

**COVERAGES**

PRINCIPAL DEPOSIT GUARANTEE  
SECONDARY REDPOSIT  
EXCESSIVE SHARE  
JV AGREEMENTS/SPECIAL PROJE  
EMERGENCY/CATASTROPHE  
KEY MAN  
90 DAY ROLLOVER

**LIMITS**

⌘ N/A  
⌘ N/A  
⌘ 600,000,000  
⌘ 25,000,000  
⌘ 1,000,000,000  
⌘ 25,000,000  
⌘ N/A

**DEDUCTIBLES**

⌘ 0  
⌘ 30,000 DED  
⌘ 750,000 PRM  
⌘ 50,000 DED  
⌘ NON-DED/WAIVER  
⌘ 0  
⌘ 0

Additional Insured

627 400001 - 499999 MAN FINANCIAL  
57985 0011 MAN GLOBAL LONDON  
00152783 REFCO LTD  
CIT 049611 CISC NY

Additional Information:

CAUTIONARY NOTE: THE CURRENT COVERAGES, LIMITS, AND DEDUCTIBLES MAY DIFFER FROM THE COVERAGES, LIMITS, AND DEDUCTIBLES IN EFFECT AT OTHER TIMES DURING THE POLICY PERIOD. THIS VERIFICATION OF COVERAGE REFLECTS THE COVERAGES, LIMITS, AND DEDUCTIBLES AS OF THE DATE OF THIS FACSIMILE, WHICH IS INDICATED AT THE VERY TOP OF THIS DOCUMENT.

(11-01)

*RZF 1/24/14*

14-40780.857

*Ms. Policy*

Mr. Rumpf,

Good morning. I received your documents on Saturday and have approved the subscription agreement. Our next step is to have you wire out to Bank of America the \$50,000 for the account insurance as discussed on Friday. Please wire the funds as soon as possible as I have a 10:00 am meeting this morning with ACE INA insurance company and would like to set you up at the same time as my other clients. I will also begin the to establish your sub-account at Chase Investment Services and get your account number, wiring instruction, signature card, etc. out to you as quickly as possible. Thank you for your prompt attention.

Best regards,

Brad

P.S. I am very fascinated by your company and would like to have a part of our (Sardaukar's) proceeds donated to your cause. I am also in touch with several other firms that may wish to do the same! Keep up the good work and God Bless! Also, thank you for putting my mother into your prayer chain. -Brad

PWN# 294 (new)  
Series: September 3, 2004  
Series: Global Property  
Part 343: Investment Operations  
Originating Office: Trust Division



ALTA U.S. POLICY - 9/3/04

UNITED STATES OF AMERICA  
POLICY OF GLOBAL PROPERTY INSURANCE  
Issued by  
ACE INSURANCE COMPANY OF NORTH AMERICA

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, ACE INSURANCE COMPANY OF NORTH AMERICA, a Delaware corporation, herein called the Company, insurer, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the account or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the account;
3. Unmarketability of the account securities;
4. Lack of a right of access to and from the account;
5. In instances where the insured incurs a margin call to the account by neglect or failure of the commitment of account title holders, as updated to the date of the filing of the Ins' pendens notice or the Declaration of Taking, to disclose the parties having an interest in the account as disclosed by the public records.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the account, as insured, but only to the extent provided in the Conditions and Stipulations. (Witness clause optional)

ACE INSURANCE COMPANY OF NORTH  
AMERICA

BY:

  
Ms. Laura Ulrich  
Depository Trust Services

WITNESSED BY:

  
Ms. Jeanne Wilks

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section (a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the account or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the account or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required, provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

### 4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the account or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

(e) Notwithstanding Conditions and Stipulations Section 4(a-d), the Attorney General of the United States shall have the sole right to authorize or to undertake the defense of any matter which would constitute a claim under the policy, and the Company may not represent the insured without authorization. If the

Attorney General elects to defend at the Government's expense, the Company shall, upon request, cooperate and render all reasonable assistance in the prosecution or defense of the proceeding and in prosecuting any related appeals. If the Attorney General shall fail to authorize and permit the Company to defend, all liability of the Company with respect to that claim shall terminate; provided, however, that if the Attorney General shall give the Company timely notice of all proceedings and an opportunity to suggest defenses and actions as it shall recommend should be taken, and the Attorney General shall present the defenses and take the actions of which the Company shall advise the Attorney General in writing, the liability of the Company shall continue and, in any event, the Company shall cooperate and render all reasonable assistance in the prosecution or defense of the claim and any related appeals.

#### 5. PROOF OF LOSS OR DAMAGE.

In addition to and after the matters required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the account, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Unless prohibited by law or governmental regulation, failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

#### 6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

##### (a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

## CONDITIONS AND STIPULATIONS

### 1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

- (a) "Insured", the Insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named Insured, those who succeed to the interest of the named Insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.
- (b) "Insured claimant": an insured claiming loss or damage.
- (c) "Knowledge" or "know": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the account.
- (d) "Account": the account described or referred to in Schedule [A][C], and any inclusions affixed thereto which by law constitute real property. The term "account" does not include any property beyond the definition described or referred to in Schedule [A][C], nor any right, title, interest or easement in any/all linked accounts, but nothing herein shall modify or limit the extent to which a right of access to and from the account is insured by this policy.
- (e) "margin", margin, leverage, loan, or other loan against a security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property and accounts to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include Securities and Exchange Commission liens filed in the records of the clerk of the United States district court for the district in which the account is located.

(g) "unmarketability of the account": an alleged or apparent matter affecting the trading of the account, not excluded or excepted from coverage, which would entitle a purchaser of the securities or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable security.

### 2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an interest in the account, or holds an indebtedness secured by a purchase money security given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the account or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an interest in the account, or (ii) an indebtedness secured by a purchase money security given to the insured.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant

(1) Subject to the prior written approval of the Attorney General, to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorney's fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(2) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorney's fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs 6(b)(1) or (2), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation. Failure of the Attorney General to give the approval called for in 6(b)(1) shall not prejudice the rights of the insured unless the Company is prejudiced thereby, and then only to the extent of the prejudice.

7. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) The company will pay only those costs, attorney's fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT

If the account described in schedule [A][C] consists of two or more linked accounts which are not used as a single account, and a loss is established affecting one or more of the accounts but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate account for the whole, exclusive of any inclusions made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each account by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the account, or cures the claim of unmarketability of account securities, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.



(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss of damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

#### 10. REDUCTION OF INSURANCE, REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, including payments made for costs, attorney's fees and expenses, shall not reduce the amount of the insurance pro tanto.

#### 11. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall not be reduced by any amount the Company may pay under any policy insuring an account to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which in hereafter excepted by an insured and which is a charge or lien on the account or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

#### 12. PAYMENT OF LOSS

(a) No payment shall be made without producing this policy or an accurate facsimile for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

#### 13. SUBROGATION UPON PAYMENT OR SETTLEMENT

##### (a) The Company's Right of Subrogation

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

**(b) The Company's Rights Against Non-Insured Obligors.**

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guarantees, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

**(c) No Subrogation to the Rights of the United States.**

Notwithstanding the provisions of Conditions and Stipulations Section 13(a) and (b), whenever the Company shall have settled and paid a claim under this policy, the Company shall not be subrogated to the rights of the United States. The Attorney General may elect to pursue any additional remedies which may exist, and the Company may be consulted. If the Company agrees in writing to reimburse the United States for all costs, attorney's fees and expenses, to the extent that funds are recovered they shall be applied first to reimbursing the Company for the amount paid to satisfy the claim, and then to the United States.

**14. ARBITRATION ONLY BY AGREEMENT.**

Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters shall be arbitrated only when agreed to by both the Company and the Insured.

The law of the United States or, if there be no applicable federal law, the law of the state of the account shall apply to an arbitration under the Securities and Exchange Commission Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

**15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.**

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

**16. SEVERABILITY.**

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at:

**ACE INA**  
Two Liberty Place  
1601 Chestnut Street  
Philadelphia, PA 19103